

---

**AGENCY OVERVIEW****242 Valley City State University**

---

**Date:** 12/23/2014**Time:** 12:25:29**Statutory Authority**

ND Constitution, Article VIII, Section 6.

**Agency Description**

Valley City State University (VCSU), operating as a postsecondary educational institution within the North Dakota University System, serves the citizens of North Dakota and the surrounding area by offering a broad and diverse population of students an opportunity to challenge their individual learning capabilities.

**Agency Mission Statement**

MISSION: Valley City State University is a public, regional university offering exceptional programs in an active, learner-centered community that promotes meaningful scholarship, ethical service, and the skilled use of technology. As an important knowledge resource, the University offers programs and outreach that enrich the quality of life in North Dakota and beyond. Through flexible, accessible, and innovative baccalaureate and master's programs, VCSU prepares students to succeed as educators, leaders, and engaged citizens in an increasingly complex and diverse society.

VISION: Valley City State University will be nationally recognized for advancing important collaboration, fostering innovative engagement, and promoting noteworthy transformation. Through effective use of best practices in technology, teaching, and learning, VCSU will be a destination university for students in North Dakota and throughout the region, extending its reach and influence beyond the campus boundaries.

**Agency Performance Measures**

NDUS has published annual accountability measures reports, in response to the "flexibility with accountability" expectations of SB 2003 passed by the 2001 Legislative Assembly. Organized according to the five cornerstones of the Roundtable Report, which served as the basis for the Board's previous strategic plan, the report has evolved from a written annual report to an online report. A wrap-up report is being compiled in anticipation of the launch of the Board's 2015-2020 strategic plan. Future reporting on the new strategic plan and accountability is expected to not only be online but also in a contemporary, interactive format. The information may include information on graduation and retention rates, enrollment, peer comparisons, financial aid and tuition, degrees awarded and composite financial index information for the 11 campuses, although final measures have not yet been determined.

**Major Accomplishments**

1. Achieved an all-time record enrollment in spring 2014 of 1,341 students, a 4.2 percent increase over spring 2013.
2. Received 10-year re-accreditation granted by the Higher Learning Commission in 2012; affirmation of academic quality and rigor.
3. Completed the 5th year of a \$5.6 million Bush Foundation grant, as part of a consortium with NDSU and Minnesota State University - Moorhead to improve teacher training and further strengthen teacher education in the region over the next 10 years.
4. Named the #1 Public Regional College in the Midwest by US News and World Report for 2012 and 2013.
5. Initiated new academic programs: Athletic Training; Software Engineering; Business Process Integration Management; Medical Lab Science; a M.Ed. in Elementary Education and English Education
6. Completed a \$10.3 million renovation and addition to the Rhoades Science Building.
7. Received online M.Ed ranking of 22 among 143 nationally by US News in 2013.
8. Received approval for new Mission and Vision statements from State Board of Higher Education.
9. Implemented retention software Starfish to help students succeed.
10. Provided record scholarships in each of the past two years.

**Future Critical Issues**

There are both challenges and opportunities for Valley City State University. The University's two main challenges for the next biennium include recruitment and retention of students and maintaining functional, attractive and safe facilities.

**REQUEST SUMMARY**

242 Valley City State University  
 Biennium: 2015-2017

Bill#: HB1003

Date: 12/23/2014

Time: 12:25:29

Description	Expenditures 2011-2013 Biennium	Present Budget 2013-2015	Budget Request Change	Requested Budget 2015-2017 Biennium	Optional Budget Request
<b>By Major Program</b>					
Valley City State University	27,629,670	32,703,464	49,563,990	82,267,454	1,502,476
<b>Total Major Program</b>	<b>27,629,670</b>	<b>32,703,464</b>	<b>49,563,990</b>	<b>82,267,454</b>	<b>1,502,476</b>
<b>By Line Item</b>					
Operating Expenses	17,694,741	20,596,135	4,147,309	24,743,444	771,425
Capital Assets	9,482,054	5,625,811	35,898,199	41,524,010	731,051
Capital Assets Carryover	452,875	1,274,681	(1,274,681)	0	0
Capital Projects Non-state funded	0	5,006,837	10,993,163	16,000,000	0
Capital Projects Carryover - Non-State	0	200,000	(200,000)	0	0
<b>Total Line Items</b>	<b>27,629,670</b>	<b>32,703,464</b>	<b>49,563,990</b>	<b>82,267,454</b>	<b>1,502,476</b>
<b>By Funding Source</b>					
General Fund	27,629,670	27,496,627	38,770,827	66,267,454	1,502,476
Federal Funds					
Special Funds	0	5,206,837	10,793,163	16,000,000	0
<b>Total Funding Source</b>	<b>27,629,670</b>	<b>32,703,464</b>	<b>49,563,990</b>	<b>82,267,454</b>	<b>1,502,476</b>
<b>Total FTE</b>	<b>97.29</b>	<b>105.59</b>	<b>0.00</b>	<b>105.59</b>	<b>4.00</b>

**REQUEST DETAIL**

242 Valley City State University  
Biennium: 2015-2017

Bill#: HB1003

Date: 12/23/2014

Time: 12:25:29

Description	Expenditures 2011-2013 Biennium	Present Budget 2013-2015	Budget Request Change	Requested Budget 2015-2017 Biennium	Optional Budget Request
<b>Operating Expenses</b>					
Operating Fees and Services	17,694,741	20,596,135	4,147,309	24,743,444	771,425
<b>Total</b>	<b>17,694,741</b>	<b>20,596,135</b>	<b>4,147,309</b>	<b>24,743,444</b>	<b>771,425</b>
<b>Operating Expenses</b>					
General Fund	17,694,741	20,596,135	4,147,309	24,743,444	771,425
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
<b>Total</b>	<b>17,694,741</b>	<b>20,596,135</b>	<b>4,147,309</b>	<b>24,743,444</b>	<b>771,425</b>
<b>Capital Assets</b>					
Land and Buildings	9,194,337	4,030,153	36,108,847	40,139,000	0
Other Capital Payments	0	0	0	0	65,555
Extraordinary Repairs	287,717	1,595,658	(210,648)	1,385,010	665,496
<b>Total</b>	<b>9,482,054</b>	<b>5,625,811</b>	<b>35,898,199</b>	<b>41,524,010</b>	<b>731,051</b>
<b>Capital Assets</b>					
General Fund	9,482,054	5,625,811	35,898,199	41,524,010	731,051
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
<b>Total</b>	<b>9,482,054</b>	<b>5,625,811</b>	<b>35,898,199</b>	<b>41,524,010</b>	<b>731,051</b>
<b>Capital Assets Carryover</b>					
Land and Buildings	452,875	1,274,681	(1,274,681)	0	0
<b>Total</b>	<b>452,875</b>	<b>1,274,681</b>	<b>(1,274,681)</b>	<b>0</b>	<b>0</b>
<b>Capital Assets Carryover</b>					
General Fund	452,875	1,274,681	(1,274,681)	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
<b>Total</b>	<b>452,875</b>	<b>1,274,681</b>	<b>(1,274,681)</b>	<b>0</b>	<b>0</b>
<b>Capital Projects Non-state funded</b>					
Land and Buildings	0	4,806,837	11,193,163	16,000,000	0
Extraordinary Repairs	0	200,000	(200,000)	0	0
<b>Total</b>	<b>0</b>	<b>5,006,837</b>	<b>10,993,163</b>	<b>16,000,000</b>	<b>0</b>
<b>Capital Projects Non-state funded</b>					
General Fund	0	0	0	0	0

**REQUEST DETAIL**

242 Valley City State University

Bill#: HB1003

Date: 12/23/2014

Time: 12:25:29

Biennium: 2015-2017

Description	Expenditures 2011-2013 Biennium	Present Budget 2013-2015	Budget Request Change	Requested Budget 2015-2017 Biennium	Optional Budget Request
Federal Funds	0	0	0	0	0
Special Funds	0	5,006,837	10,993,163	16,000,000	0
<b>Total</b>	<b>0</b>	<b>5,006,837</b>	<b>10,993,163</b>	<b>16,000,000</b>	<b>0</b>
<b>Capital Projects Carryover - Non-State</b>					
Land and Buildings	0	200,000	(200,000)	0	0
<b>Total</b>	<b>0</b>	<b>200,000</b>	<b>(200,000)</b>	<b>0</b>	<b>0</b>
<b>Capital Projects Carryover - Non-State</b>					
General Fund	0	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	200,000	(200,000)	0	0
<b>Total</b>	<b>0</b>	<b>200,000</b>	<b>(200,000)</b>	<b>0</b>	<b>0</b>
<b>Funding Sources</b>					
General Fund	27,629,670	27,496,627	38,770,827	66,267,454	1,502,476
Federal Funds	0	0	0	0	0
Special Funds	0	5,206,837	10,793,163	16,000,000	0
<b>Total Funding Sources</b>	<b>27,629,670</b>	<b>32,703,464</b>	<b>49,563,990</b>	<b>82,267,454</b>	<b>1,502,476</b>

**CHANGE PACKAGE SUMMARY**

242 Valley City State University

Biennium: 2015-2017

Bill#: HB1003

Date: 12/23/2014

Time: 12:25:29

Description	Priority	FTE	General Fund	Federal Funds	Special Funds	Total Funds
<b><u>Base Budget Changes</u></b>						
<b>One Time Budget Changes</b>						
A-B 1 Major Capital Projects		0.00	40,139,000	0	16,000,000	56,139,000
A-E 1 Remove 2013-15 Capital Projects		0.00	(3,935,153)	0	(4,806,837)	(8,741,990)
A-E 3 Remove Deferred Maintenance Pool		0.00	(937,339)	0	0	(937,339)
A-E 4 Remove Other One-time Funding		0.00	(250,000)	0	0	(250,000)
<b>Total One Time Budget Changes</b>		<b>0.00</b>	<b>35,016,508</b>	<b>0</b>	<b>11,193,163</b>	<b>46,209,671</b>
<b>Ongoing Budget Changes</b>						
A-A 1 CTC, Operating Inflation and Utilities Increases		0.00	469,087	0	0	469,087
A-A 2 Governors Funding Model Increase		0.00	3,583,222	0	0	3,583,222
A-A 20 2013-15 Adjusted FTE		105.59	0	0	0	0
A-A 6 Base Plus Incr for Extraordinary Repairs		0.00	1,385,010	0	0	1,385,010
A-F 1 Remove 2011-13 Capital Assets Carryover		0.00	(1,274,681)	0	(200,000)	(1,474,681)
A-F 2 Remove Base Funding Extraordinary Repairs		0.00	(408,319)	0	0	(408,319)
A-F 3 Remove Additional Capital Projects Authority		0.00	0	0	(200,000)	(200,000)
Base Payroll Change		(105.59)	0	0	0	0
<b>Total Ongoing Budget Changes</b>		<b>0.00</b>	<b>3,754,319</b>	<b>0</b>	<b>(400,000)</b>	<b>3,354,319</b>
<b>Total Base Budget Changes</b>		<b>0.00</b>	<b>38,770,827</b>	<b>0</b>	<b>10,793,163</b>	<b>49,563,990</b>
<b><u>Optional Budget Changes</u></b>						
<b>One Time Optional Changes</b>						
A-D 5 Special Assessments	2	0.00	65,555	0	0	65,555
A-D 1 Campus Security One-time	3	0.00	725,921	0	0	725,921
<b>Total One Time Optional Changes</b>		<b>0.00</b>	<b>791,476</b>	<b>0</b>	<b>0</b>	<b>791,476</b>
<b>Ongoing Optional Changes</b>						
A-C 1 Security and Emergency Preparedness	1	4.00	711,000	0	0	711,000
<b>Total Ongoing Optional Changes</b>		<b>4.00</b>	<b>711,000</b>	<b>0</b>	<b>0</b>	<b>711,000</b>
<b>Total Optional Budget Changes</b>		<b>4.00</b>	<b>1,502,476</b>	<b>0</b>	<b>0</b>	<b>1,502,476</b>

**BUDGET CHANGES NARRATIVE**

242 Valley City State University

Bill#: HB1003

Date: 12/23/2014

Time: 12:25:29

Change Group: A	Change Type: A	Change No: 6	Priority:
-----------------	----------------	--------------	-----------

## Base Plus Incr for Extraordinary Repairs

Currently, the campuses and Forest Service receive \$11,162,008 in base funding for extraordinary repairs, which is equivalent to an overall average of 12.7% of the OMB building and infrastructure formulas. In the IBARS process, we are required to remove base funding for extraordinary repairs (see change code **AF2**). The 2015-17 NDUS budget request includes a total increase of **\$32,860,444** to provide increased base funding for facilities and infrastructure repairs and maintenance, equivalent to **50%** of OMB building and infrastructure formulas. The AA6 budget change code includes restoring the base amount removed in change code AF2, as well as the requested increase to reach **50%** of OMB formula. **VCSU's portion of the request is \$1,385,010. Base funding currently received in 2013-15 is \$408,319, and the requested increase in base funding for extraordinary repairs for 2015-17 is \$976,691.**

A prioritized listing of extraordinary repair projects is included in the extraordinary repairs subschedule (because of IBAR's requirement to do so), however these priorities can very easily change, due to unforeseen circumstances and emergencies. The priority listing is only a best estimate at this time. The actual use of these dollars will be left to the discretion of the institutions (with appropriate approvals by the SBHE where required). All NDUS entities will be given the authority to allocate dollars to repair and replacement priorities for regular repair and replacement projects as determined by each entity.

Change Group: A	Change Type: A	Change No: 20	Priority:
-----------------	----------------	---------------	-----------

## 2013-15 Adjusted FTE

Per SB2003 (Section 36), "the state board of higher education may adjust full-time equivalent positions as needed, subject to the availability of funds, for institutions and entities under its control during the biennium beginning July 1, 2013, and ending June 30, 2015. The North Dakota university system shall report any adjustments to the office of management and budget before the submission of the 2015-17 biennium budget request." A report was run as of 4-30-2014 to determine the total estimated "appropriated "FTE" as of that date. Consistent with the methodology used in previous biennia, the current year's annual budgets were used to estimate the amount supported by general fund only, based on the percentage of budgeted general fund revenue to total appropriated revenue. Additional FTE of 8 included new positions for retention, facilities, and several new faculty members.

Change Group: A	Change Type: B	Change No: 1	Priority:
-----------------	----------------	--------------	-----------

## Major Capital Projects

The capital project request for VCSU includes the following projects:

Fine Arts Building, including demolition of Foss and McCarthy \$25,850,000 GF

Heating Plant replacement \$14,289,000 GF

Health, Wellness and Physical Education Facility \$16,000,000 Private/Local funds

Project justification narrative is included in the Capital Assets subschedules.

Change Group: A	Change Type: C	Change No: 1	Priority: 1
-----------------	----------------	--------------	-------------

## Security and Emergency Preparedness

**BUDGET CHANGES NARRATIVE****242 Valley City State University****Bill#: HB1003****Date:** 12/23/2014**Time:** 12:25:29

Campus security (24x7 coverage) - Included in the 2013-15 biennial budget request were amounts to fund three eight-hour shifts to achieve 24x7 coverage at all campuses except UND and NDSU, who indicated they provided limited 24x7 coverage at the time. Three campuses (WSC, DSU and MiSU) received most of the funding that was requested for 24x7 coverage in 2013-15, but the remaining 6 campuses each received \$100,000 (substantially less than what was requested). The 2015-17 budget request includes \$2,411,750 to achieve 24x7 coverage at the remaining campuses: [BSC (3Fte) - \$505,500; LRSC (3Fte) - \$405,500; NDSCS (1.5Fte) - \$252,750; MaSU (3Fte) - \$405,500; VCSU (3Fte) - \$505,500 and DCB (2Fte) - \$337,000].

Several factors influence number of security staff: 1.) Student population; 2.) Age and gender profile; 3.) Location of institution; 4.) Number of buildings both on and off campus; 5.) Extent of on-campus housing; 6.) Days/times of classes; 7.) Campus size; 8.) Institutional and public expectations.

Emergency management – Item 8 of SBHE Policy 906 (Emergency Preparedness and Management; Continuity of Operations; Security) states, “The chancellor and institution presidents shall, subject to funding and staffing constraints, develop and implement plans under which the system and institutions substantially shall comply with these Policy 906 requirements by July 1, 2014.” The 2015-17 budget request includes a total of \$2,157,750 for a full-time emergency manager at all campuses (\$205,500 each), except DCB whose request is for a one-half time emergency manager (\$102,750).

These positions are needed to develop and implement the plan required under Policy 906 to facilitate appropriate emergency preparedness planning on each campus, which must be tailored to each individual campus and local and regional law enforcement and emergency services. These plans are intended to provide the framework to address the immediate requirements for a major disaster or emergency in which normal operations are interrupted and special measures must be taken to: 1.) protect the lives of students, employees and the public; 2.) provide essential services and operations; 3.) manage immediate communications and information regarding emergency operations; 4.) manage university resources effectively in emergency operations; 5.) provide and analyze information to support decision-making. Emergency response is based on the Incident Command System (ICS), the management structure adopted throughout the United States and internationally, and a requirement of the State of ND and various US Department of Homeland Security Presidential Decision Directives and National Incident Management System (NIMS) guidance. The State of ND Division of Emergency Management (DEM) has indicated their interest in having a single point of contact and coordination within the NDUS for emergency response; however, no resources exist for this purpose.

Total security and emergency preparedness request for Valley City State University is \$711,000.

<b>Change Group:</b> A	<b>Change Type:</b> D	<b>Change No:</b> 1	<b>Priority:</b> 3
------------------------	-----------------------	---------------------	--------------------

Campus Security One-time

Total requested one-time funds for campus security is **\$725,921**.

- **Card door access: \$60,425**  
VCSU utilizes Blackboard for door access at residence halls and at the renovated/new Rhoades Science Building. Additional funding will allow for remaining buildings to transition to keyless/card access.
- **Campus fire alarm upgrades: \$665,496**  
VCSU's fire alarm systems are antiquated and in many instances do not provide the level of detail to determine whether alarms are false or if there is an issue to be concerned with. Additional funding will upgrade the fire alarm system; enhancing safety across campus.

**BUDGET CHANGES NARRATIVE**

242 Valley City State University

Bill#: HB1003

Date: 12/23/2014

Time: 12:25:29

<b>Change Group:</b> A	<b>Change Type:</b> D	<b>Change No:</b> 5	<b>Priority:</b> 2
------------------------	-----------------------	---------------------	--------------------

## Special Assessments

Campuses must currently fund special assessment payments from their extraordinary repairs funding for city improvements to adjacent property, further reducing the amount left for on-campus improvements. This one-time request, totaling **\$1,259,684**, is the estimated amount needed for the 15-17 installment payments. The amounts, by campus, are: **BSC-\$491,800; WSC-\$45,000; UND-\$68,815; NDSU-\$407,089; NDSCS-\$98,794; MaSU-\$74,876; VCSU-\$65,555; DCB-\$7,755.**

<b>Change Group:</b> A	<b>Change Type:</b> E	<b>Change No:</b> 1	<b>Priority:</b>
------------------------	-----------------------	---------------------	------------------

## Remove 2013-15 Capital Projects

To remove **\$8,741,990** funding authorized for capital projects for the 2013-15 biennium per SB2003-Section 2.

VCSU received authorization for the following projects:

- W.E. Osmon Fieldhouse Addition - Phase II: \$4,706,837 to be funded through donations and fundraising.
- Vangstad Auditorium and Classroom Renovation: \$3,454,643 to be funded through capital appropriations.
- Hillside Slope Failure Mitigation: \$480,510 from 2013-15 state general fund capital projects appropriation and \$100,000 from 2011-13 extraordinary repairs carryover, consistent with presentations to the 2013-15 legislative appropriations committees.

<b>Change Group:</b> A	<b>Change Type:</b> E	<b>Change No:</b> 3	<b>Priority:</b>
------------------------	-----------------------	---------------------	------------------

## Remove Deferred Maintenance Pool

To remove **\$10 million** for the deferred maintenance pool, per SB2003-Section 2. SB2003-Section 21 provided the following legislative intent: "The deferred maintenance funding pool line item includes funding that must be used to address deferred maintenance and other infrastructure needs at institutions based on the university system master plan and space utilization study. However, the state board of higher education may distribute up to one-half of the funds in the pool to institutions prior to the completion of the master plan and space utilization study."

The SBHE approved allocation of \$5 of the \$10 million on September 25, 2013. Given the facility master plan was not completed at the time, the initial \$5 million was distributed based on the following:

- statewide OMB extraordinary repairs formula, which addresses both buildings and infrastructure to bring campuses to a common (or close to common) percent position of the formula;
- Each campus/entity should receive some minimum amount of funding—recommended \$75,000 minimum, except for the Forest Service a minimum of \$30,000;
- Make adjustments to recognize that some campuses have to use a portion of their extraordinary repair formula funding for the payment of city special assessments, on infrastructure not owned by the campus.

With the near completion of the System facility master plan, the SBHE approved the allocation of the remaining \$5 million on June 26, 2014, so the campuses could begin much needed projects. The allocation was based on the following:

- First allocate \$275,000 to VCSU to address a recently identified safety issue at VCSU in the recently retired Science Building. The \$275,000 includes costs for engineering services, relocation and demolition. It does not include other costs related to build a barrier for the hill or to replace asphalt. In April 2014, the SE wall on the main floor of the VCSU Science Building began to buckle, significantly reducing the structural integrity of that portion and the upper two levels of the building. Additionally, the roof on the SW corner has been significantly compromised and the ceiling in that area has failed. VCSU engaged a structural engineer



**BUDGET CHANGES NARRATIVE****242 Valley City State University****Bill#: HB1003****Date:** 12/23/2014**Time:** 12:25:29

to analyze the building. The engineer indicated that VCSU should transition remaining operations to another site immediately due to safety concerns. VCSU has and continues to move forward with the transition in a practicable and safe manner. The cost of \$275,000 does not include cost to build a retaining wall or a barrier for the hill and replace asphalt.

- Allocate remaining \$4,725,000 to the 11 institutions based on the average of: the actual deferred maintenance for facilities examined by consultants during the master plan visits (represents about 24% of the overall state appropriated GSF for Type I and II buildings)= +\$200 million; extrapolated deferred maintenance when applied to all appropriated buildings, based on above "sample" condition ("If the condition of these buildings represents similar condition in the rest of the buildings and identified needs to the heating plants and site infrastructure are added in..")

The following allocations, totaling \$10 million, were provided to the campuses and Forest Service, and are being removed in this budget change code: **BSC-\$759,580; LRSC-\$256,259; WSC-\$271,181; UND-\$2,667,599; NDSU-\$2,480,703; NDSCS-\$639,328; DSU-\$437,527; MaSU-\$408,233; MiSU-\$830,318; VCSU-\$937,339; DCB-\$281,933; Forest Service-\$30,000.**

Account	Description	Budget	Expended
684010	Misc Land Improvements		
684025	Building Exterior Repairs	87,339	-
684030	Mechanical / Electrical Repair		
684035	Interior Repairs	65,000	18,565
684040	Structural Repairs	700,000	2,797
684045	Paving and Area Lighting	25,000	1,400
684050	Utilities / Infrastructure	60,000	36,669
<b>Total</b>		<b>937,339</b>	<b>59,431</b>

<b>Change Group:</b> A	<b>Change Type:</b> E	<b>Change No:</b> 4	<b>Priority:</b>
------------------------	-----------------------	---------------------	------------------

Remove Other One-time Funding

To remove **\$250,000** for deferred maintenance for the President's house at VCSU (SB2003-Section 2, "Campus deferred maintenance projects").

Upgrades to the President's house are scheduled to be completed by September 30, 2014 and within the \$450,000 (\$250,000 appropriated; \$200,000 other funds) authorized by the legislature.

<b>Change Group:</b> A	<b>Change Type:</b> E	<b>Change No:</b> 5	<b>Priority:</b>
------------------------	-----------------------	---------------------	------------------

Remove One-time Line Transfers

To reverse one-time **\$95,000** transfer from operating line to capital line (SB2003-Section 35) Adjustment needed to increase operating and decrease capital asset line. Project scheduled to be completed by September 30, 2014.

<b>Change Group:</b> A	<b>Change Type:</b> F	<b>Change No:</b> 1	<b>Priority:</b>
------------------------	-----------------------	---------------------	------------------

Remove 2011-13 Capital Assets Carryover

**BUDGET CHANGES NARRATIVE**

242 Valley City State University

Bill#: HB1003

Date: 12/23/2014

Time: 12:25:29

To remove **\$1,274,681** capital assets carryover from 2011-13. Details below:

Description	Budget	Expended
Rhoades Addition & Remodel	1,105,663.50	932,121.45
Building Exterior	69,100.00	33,300.00
Interior Finishes	2,255.04	2,255.04
Paving & Lighting	97,662.50	47,239.97

<b>Change Group:</b> A	<b>Change Type:</b> F	<b>Change No:</b> 2	<b>Priority:</b>
------------------------	-----------------------	---------------------	------------------

Remove Base Funding Extraordinary Repairs

To remove \$408,319 base funding for extraordinary repairs. This base amount, plus an increase to the base, is being requested for 2015-17, and is reflected in **change code AA6**. Status of these funds are detailed below:

Account	Description	Budget	Expended
684010	Misc Land Improvements	-	-
684025	Building Exterior Repairs	33,783	33,896
684030	Mechanical / Electrical Repair	34,000	47,693
684035	Interior Repairs	267,521	187,258
684040	Structural Repairs	-	-
684045	Paving and Area Lighting	-	-
684050	Utilities / Infrastructure	73,015	30,573
Total		408,319	299,421

<b>Change Group:</b> A	<b>Change Type:</b> F	<b>Change No:</b> 3	<b>Priority:</b>
------------------------	-----------------------	---------------------	------------------

Remove Additional Capital Projects Authority

To remove add'l **other fund** authority of \$200,000 for the President's House ADA and Accessibility Upgrades, authorized by the Budget Section during FY14. Project scheduled to be completed by September 31, 2014.

<b>Change Group:</b> R	<b>Change Type:</b> A	<b>Change No:</b> 1	<b>Priority:</b>
------------------------	-----------------------	---------------------	------------------

SCH Production Adjustment

**BUDGET CHANGES NARRATIVE**

242 Valley City State University

Bill#: HB1003

Date: 12/23/2014

Time: 12:25:29

Adjusts statutory operations funding to reflect changes in adjusted student credit hour (ASCH) production to the 2011-13 levels

<b>Change Group:</b> R	<b>Change Type:</b> A	<b>Change No:</b> 2	<b>Priority:</b>
------------------------	-----------------------	---------------------	------------------

## Inflationary Adjustment

Provides an inflationary adjustment to cover the State's share of the following cost increases:

- Costs to continue FY15 3% salary increases - \$181,301
- Utilities - \$35,557
- 2015-17 annual salary increases of 4% FY16 and 4% FY17 - \$853,306
- Health insurance premiums @ \$1,161.59 per month - \$490,053
- 1% Retirement contribution increase on 1/1/2016 - \$90,756

<b>Change Group:</b> R	<b>Change Type:</b> A	<b>Change No:</b> 3	<b>Priority:</b>
------------------------	-----------------------	---------------------	------------------

## 24/7 Campus Security

Provides \$505,500 and 3.00 FTE for 24/7 security coverage.

<b>Change Group:</b> R	<b>Change Type:</b> A	<b>Change No:</b> 4	<b>Priority:</b>
------------------------	-----------------------	---------------------	------------------

## Base Extraordinary Repairs

Provides \$554,004 for base extraordinary repairs, including \$145,685 to increase funding to 20% of the OMB formula

<b>Change Group:</b> R	<b>Change Type:</b> A	<b>Change No:</b> 5	<b>Priority:</b>
------------------------	-----------------------	---------------------	------------------

## Eliminate IA and IT Assessments

Reduces base funding by \$42,153 for the State's share of costs related to the centralized document imaging system being transferred to the Core Technology Services division in the NDUS System Office budget.

Reduces base funding by \$8,463 due to elimination of the State's share of campus assessments for the Internal Audit department. Full funding for the department has been provided in the NDUS System Office budget.

<b>Change Group:</b> R	<b>Change Type:</b> A	<b>Change No:</b> 6	<b>Priority:</b>
------------------------	-----------------------	---------------------	------------------

## SCH Rate Balancing

Provides \$1,528,905 to increase final per SCH rate to \$120.32, which is the average of the top two institutions in the four-year college tier.

<b>Change Group:</b> R	<b>Change Type:</b> B	<b>Change No:</b> 1	<b>Priority:</b>
------------------------	-----------------------	---------------------	------------------

## Campus Security One-Time

**BUDGET CHANGES NARRATIVE****242 Valley City State University****Bill#: HB1003****Date:** 12/23/2014**Time:** 12:25:29

Provides \$544,441 for security related equipment purchases and/or facility repairs to strengthen campus security. May include a variety of needs, such as windows, cameras, card access, door locks, or any other necessary one-time purchase/repair.

<b>Change Group:</b> R	<b>Change Type:</b> B	<b>Change No:</b> 2	<b>Priority:</b>
------------------------	-----------------------	---------------------	------------------

Special Assessment Payoff

Pays off the institution's existing special assessments balance.